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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric Company to
Revise its Electric Marginal Costs, Revenue
Allocation and Rate Design.

Application No. 16-06-013
(Filed: June 30, 2016)

U 39 M

**PREHEARING CONFERENCE STATEMENT
OF PACIFIC GAS AND ELECTRIC COMPANY (U39M)**

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Dated: September 9, 2016

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

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OF THE STATE OF CALIFORNIA**

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Pursuant to the presiding Administrative Law Judge's direction in a Ruling dated September 1, 2016, PG&E submits this Prehearing Conference Statement that both reports on the required Meet and Confer, held on September 8, 2016, and presents an Agreed Compromise Schedule for this proceeding that resulted from that Meet and Confer.

1. Notice of Meet and Confer

In compliance with the ALJ's Ruling, PG&E served the service list for this proceeding, on September 6, 2016, a notice that a Meet and Confer would be held on September 8, 2016 from 4:30 p.m. to 5:00 p.m..

2. Advance Circulation of Proposed Compromise Schedule

In advance of this conference call, PG&E crafted a proposed compromise schedule, balancing its originally proposed schedule with the prior proposals filed by the Office of Ratepayer Advocates (ORA), The Utility Reform Network (TURN).^{1/} PG&E's draft also reflected other developments since the Protests, including the ALJ's selection (at the RROIR Status Conference on September 1, 2016) of a date certain for the first Fixed Cost Methodology workshop (October 13, 2016).

^{1/} ORA and TURN were the only two parties had suggested an alternative to PG&E's original schedule in their Protests; all of the other parties' protests either supported or did not oppose PG&E's original schedule.

PG&E initially shared this draft of a proposed compromise with ORA and TURN, after which TURN indicated by email to the service list that, TURN had reviewed the proposed compromise schedule and would not oppose the revised dates. ORA approved sending the proposed compromise schedule to all parties on the service list in advance of the Meet and Confer, to facilitate discussion, and PG&E did so.

3. Report on Meet and Confer

A wide range of parties to the proceeding attended the September 8, 2016 Meet and Confer. Participants included representatives of: the Agricultural Energy Consumers Association (AECA), the California Farm Bureau Federation (CFBF), the California Large Energy Consumers Association (CLECA), the California Streetlights Association (CALSLA), the Consumers Federation of California (CFC), the Energy Producers and Users Coalition (EPUC), the Energy Users Forum (EUF), the Federal Executive Agency (FEA), the Modesto and Merced Irrigation District (MMID) the Office of Ratepayer Advocates (ORA), the Southern California Edison Company (SCE), the South San Joaquin Irrigation District (SSJID), The Alliance for Solar Choice (TASC).^{2/} During the call a few parties, including ORA, suggested several modest edits to the proposed compromise schedule, and the group reached a consensus on such revisions.

4. Agreed Compromise Schedule

Attached hereto as Appendix 1 is the Compromise Schedule that was agreed to by all parties who participated in the September 8, 2016 Meet and Confer.

The attached Agreed Compromise Schedule seeks to strike a reasonable balance between the scheduling elements from ORA's, and TURN's protests, and PG&E's originally filed case schedule (all of which are shown in Appendix 1 for reference). The goal in crafting this carefully balanced compromise schedule was to: (1) build in adequate time intervals, yet also (2) keep the overall schedule on track for a decision within the CPUC's 18-month window for concluding rate setting proceedings.

^{2/} TURN and the Center for Accessible Technologies (CforAT) informed the service list that they would not be available to participate in the conference call. TURN indicated it had no objections to the draft Compromise Schedule. CforAT's representative indicated she would review and comment via email.

This 18-month window does not allow much “wiggle room,” given that PG&E filed its Application on June 30, 2016.

During the Meet and Confer, CFBF also raised a question about what timeframe within this schedule any Public Participation Hearings (PPHs) that the CPUC might order would best be held. The parties agreed that the CPUC’s input is necessary whenever considering setting any potential PPH dates. Therefore, discussions about this scheduling issue were deferred to the September 12, 2016 Prehearing Conference, to get input from Your Honor to guide such discussions.

5. Conclusion

PG&E is pleased to have been able to facilitate development of an Agreed Compromise Schedule for for Your Honor’s consideration. We hope the results of our fruitful efforts to work collaboratively with the parties through a participatory Meet and Confer process will expedite any remaining scheduling discussions at the upcoming September 12, 2016 Prehearing Conference.

On behalf of the participants in the Meet and Confer, PG&E respectfully requests that the Agreed Compromise Schedule be approved after discussion at the PHC.

Respectfully submitted,

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APPENDIX 1

Compromise Schedule for PG&E's 2017 GRC Phase II (A.16-06-013)

As Agreed at Meet and Confer, September 8, 2016

Event	PG&E's Originally Proposed Schedule ¹	ORA's Originally Proposed Schedule	TURN's Originally Proposed Schedule	Agreed Compromise Schedule
PG&E Files application	June 30, 2016			June 30, 2016
Protests due	<i>August 15, 2016</i>	August 15, 2016		August 15, 2016
PG&E Replies to Protests	<i>August 29, 2016</i>	August 29, 2016		August 29, 2016
Agricultural Balancing Account Study and Party Evaluations	August 30, 2016 ²	August 30, 2016		By Sept 23, 2016
Meet and Confer on Potential Compromise Schedule				By Sept 8, 2016 (per ALJ Ruling)
<i>PHC Statement(s), e.g., on Compromise Schedule</i>				Sept 9, 2016
Prehearing Conference	Sept 12, 2016	Sept 12, 2016		Sept 12, 2016 10:30am (Per ALJ Ruling 9/1)
Corrected GRC 2 Testimony and Work papers ³				By Sept 30
First Workshop on Fixed Charge Cost Components⁴	Sept 13, 2016	Sept 20, 2016		Oct 13, 2016 1:30pm (Per ALJ Ruling 9/1)

¹ Items in italics were updated to reflect early dates clarified through CPUC Rules or Rulings since PG&E's filed its Application on June 30, 2016.

² On August 22, 2016, PG&E sent a letter to CPUC Executive Director, Timothy Sullivan, entitled: "Request for a Scheduling Extension, from Current Aug. 30, 2016 Deadline, to Sept. 23, 2016, to Serve the Agricultural Balancing Account Study in A.16-06-013, PG&E's 2017 GRC Phase II." The letter was served on all parties to A.13-04-012 as well as A.15-09-001. The Executive Director granted this request on August 30, 2016.

³ PG&E has identified a few corrections it needs to make to its cost of service showing. These corrections, which PG&E expects are not likely have a major impact, will be reflected in Amended Testimony by September 30th.

⁴ Dates for the early, bifurcated phase of this case on Fixed Cost Components (Methodology for a potential future Fixed Charge) are shown in **brown**.

Event	PG&E's Proposed Schedule	ORA's Proposed Schedule	TURN's Proposed Schedule	Possible Compromise Schedule
Post-Workshop Comments		Oct 4, 2016		Oct 27
Second Workshop on Fixed Charge Cost Components	Early Oct 2016	Oct 11, 2016		Nov 2
Post Workshop Comments?		Oct 25, 2016		Nov 17
Third Workshop on Fixed Charge Cost Components (if needed)	Late October 2016	Nov 1, 2016		Last week of Nov, 2016 (if needed)
PG&E serves required Update to Exhibits (mostly to reflect updated sales forecast)	October 10, 2016 (90 days after Application filed) ⁵			Dec 2, 2016
Other parties serve written Opening Comments regarding PG&E's Report on fixed charge cost components	Mid-November, 2016	Mid-Dec. 2016		Dec 19, 2016

⁵ In PG&E's ERRA proceeding (A.15-06-001), the Scoping Memo and Ruling of Assigned Commissioner, dated August 19, 2016, provides that an Update in that proceeding is to be filed on Friday November 4, 2016. This Agreed Compromise Schedule sets PG&E's Update in its 2017 GRC Phase II showing (as called for by the Rate Case Plan) for December 4, 2016, to allow PG&E to update its showing to incorporate sales changes in the ERRA Update.

IOUs and other parties file Reply Comments on Fixed Cost Components Methodology (<i>This bifurcated issue might be submitted for decision on filed Comments</i>) OR <i>If necessary, hold Evid. Hearing on Fixed Charge Cost Component Issues</i>	Mid-Dec., 2016	Mid Jan 2017		Mid-Jan 2017
	January 2017	Feb 22-24, 2017		Feb 22 – 24, 2017

Event	PG&E's Proposed Schedule	ORA's Proposed Schedule	TURN's Proposed Schedule	Possible Compromise Schedule
ORA serves non-fixed cost testimony	December 1, 2016	Feb 15, 2017		Feb 15, 2017
Intervenors serve testimony (on all issues except Fixed Cost Components and Methodology)	Mid-January, 2017	March 15, 2017	Early February 2017	March 15, 2017 (One month after ORA)
Settlement Conference #1	December 6, 2016	Late March 2017		3rd Week March 2017
Mandatory Settlement Conference ??	Late January 2017	Late April 2017		3rd week of April 2017
All parties serve Rebuttal Testimony (on all issues but fixed cost methodology)	Mid-March, 2017	Mid May 2017		Late-April (6 weeks after Intervenor Testimony)
Second Prehearing Conference	March 23, 20107	?		Early May
ALJ Proposed Decision on fixed charge methodology issues	Mid-March, 2017	April/May2017		Early- to Mid-May 2017

Opening Comments on Fixed Cost Components PD	April 3, 2017	Two Weeks after PD is issued		20 days after PD issued (by early June)
Reply Comments, Fixed Cost Components PD	April 10, 2017	Two weeks after Opening Comments		5 days after Opening Comments (by mid-June)
Evidentiary Hearings begin on non-fixed cost component issues	April 17, 2017	Mid June 2017		Late May, 2017
Evidentiary Hearings end	April 28, 2017	Late June 2017		Early June 2017
Event	PG&E's Proposed Schedule	ORA's Proposed Schedule	TURN's Proposed Schedule	Possible Compromise Schedule
Final CPUC Decision on Bifurcated Fixed Cost Components/Fixed Charge Methodology				July 2017
Opening Briefs due (on all issues except residential fixed charge cost components)	May 19, 2017	July 21, 2017		Early July
Reply Briefs due	June 8, 2017	August 4, 2017		3 rd week of July
Proposed Decision (on all issues except fixed cost components, which would have had a Decision in or about July 2017, see above)	Early September 2017	Late October or early November		Mid-October
Opening Comments on PD	Late September 2017	two weeks after PD.		20 days after PD (early Nov 2017)

Reply Comments on PD	Early-October 2017	two weeks after opening comments.		5 days after Opening Comments (Mid-Nov 2017)
Final CPUC Decision (on all issues other than cost components and methodology for a potential future residential fixed charge)	October 2017	December 2017		Late Nov/ Dec 2017